



PRESS RELEASE

AG Gansler Secures \$213,000 Recovery from Good Samaritan Hospital

Multiple phony diagnoses resulted in Medicaid fraud

Baltimore, MD (March 29, 2012) - Attorney General Douglas F. Gansler announced today that Maryland, joined by the federal government, has secured a settlement with Good Samaritan Hospital of Maryland, Inc. The agreement resolves allegations that Good Samaritan systemically and falsely reported many patients as suffering from malnutrition. Good Samaritan will pay \$213,464.41 to the Maryland Medicaid program, half of which will compensate the State for its portion of the fraudulently billed Medicaid claims.

"This is fraud that robs from the taxpayers and those in need of proper health care," said Attorney General Gansler. "In cases like this, we seek to make the taxpayer whole and send a message that ensures such conduct is never repeated."

The settlement agreement addresses Medicaid, Medicare, and other federal health care programs, and requires Good Samaritan to pay a total of \$793,548. The agreement resolves allegations that from January 2005 through December 2008, Good Samaritan falsely claimed that some of its patients suffered from malnutrition in addition to the condition for which the patients were admitted to the hospital. That information was used by the Maryland Health Services Cost Review Commission in determining the hospital's payment rates.

By adding the malnutrition diagnoses, Good Samaritan made it appear as if its overall patient population was more difficult to treat; the hospital thus obtained an increase in its payment rates intended to compensate the hospital for the increased resources needed to treat its patients.

The incorrect diagnoses included patients who were diagnosed with kwashiorkor, a rare form of malnutrition usually seen only in sub-Saharan African nations in which severe poverty is common. This condition is extremely rare in the United States.

In making the announcement, Attorney General Gansler thanked Assistant Attorney General Shelly Martin of the OAG Medicaid Fraud Control Unit for her hard work and the United States Attorney's Office for the District of Maryland which led this investigation, with assistance from the Maryland Health Care Services Cost Review Commission.